

of Counsel:
Victoria Lehning, Esq.

July 19, 2019

Hon. Robert D. Drain
United States Bankruptcy Court
Southern District of NY
300 Quarropas Street
White Plains, NY 10601

**Re: La Cremaillere Restaurant Corp.; Case No.:19-22823; and
Meyzen Realty Associates LLC; Case No.:18-23419 (jointly the "Debtors").**

Dear Judge Drain:

Please accept this letter as a status report for the above referenced Debtors as to the efforts to refinance or sell their assets.

There has been a continuous effort to bring a lender to the forefront in order to refinance all existing loans and pay off all existing debt of the Debtors. While there has been much activity as far as due diligence is concerned by a potential lender, no written letters of intent have been forthcoming.

As to the efforts to sell the assets of the Debtors, Silvio Benedetto on behalf of his company Silvio Benedetto Associates Inc. has generated significant interest. Attached hereto is a status letter from Mr. Benedetto as well as an offer letter from a prominent restaurant owner. Benedetto believes he has another substantial buyer who will provide a letter of intent in the next couple of days. Mr. Benedetto believes that by having two parties vying for the property and assets that he will obtain the best possible price.

Very truly yours,

/s/ H. Bruce Bronson
H. Bruce Bronson

SILVIO BENEDETTO ASSOCIATES INC

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July 17,2018

H. Bruce Bronson, Esq.
Bronson Law Office P.C.
480 Mamaroneck Ave.
Harrison, NY,1058

Re: Sale of La Cremaillere Restaurant, 46 Bedford-Banksville Road, Bedford, N.Y. 10506 (restaurant and property)

Dear Bruce:

I wanted to bring you up to date regarding my efforts and research in marketing the sale of La Cremaillere restaurant and property.

I began marketing this restaurant on **October 17, 2017** under an Exclusive listing agreement. After marketing I felt I should perhaps explore other avenues to try and culminate a deal. I explored splitting the sale into three options, 1.Wine Cellar, 2.The Real Estate, and 3.The Business. I wanted to see if the sum of the parts were worth more than the whole to maximize the highest Sale price, however I determined that the only way to achieve the Highest and Best Price is selling the restaurant in its entirety.

I contacted many French restaurants in the Try-State area such as, The Homestead Thomas Henkelmann Gr. CT. / La Provencal, Mamaroneck N.Y./ Le Penguin Gr. CT. /Jean George Richfield CT. /La Panettiere Rye N.Y. / Bistro Versailles Gr. CT. as well as 43 Other Restaurants! I was surprised to hear that the French Restaurants are not doing well and many are for sale. Most of the prospects I offered the Restaurant to felt the price was out of line as is the location nestled in back country on the Greenwich Bedford line with a per-day traffic around 6,000 cars compered to over 20,000 on the Post Road in Greenwich.

With this resistance I thought I needed to do my own due diligence research to determine what would be fair and reasonable price I can expect in an arm's length purchaser would be willing

to pay for this restaurant. Therefore, I separated the assets into three categories the Wine, the Real Estate. and the Business and concluded the following.

The Wine:

I contacted three auction houses as well as several independent wine collectors. **All came in at a low estimate of \$250,000 to a high of \$360,000** as being the wholesale prices for the entire wine cellar. No one is going to pay more than wholesale for the wine since it can be purchased online for the lowest price.

The Real Estate:

I also contacted a top Real Estate Appraiser "McGrath Corporation" who boasts of having 100 years of combined appraisal experience. This is a savvy experienced appraisal firm. I asked one of the agents to please send me its evaluation of what the property is worth. The agent said he's very familiar with the property and sent me the following comment.

"It is my opinion that a reasonable value to attract buyers and facilitate a sale would be somewhere in the \$2,100,000 to \$2,600,000"

The Business:

It's difficult to estimate a sale price for the Business since its gross sales are very low at \$1.7 million. This is a major factor in determining the price of a restaurant. The rule-of-thumb for what rental should be for a restaurant is not more than 10% of the gross annual sales for the Business. In this scenario the annual rent would be \$170,000. The sale price for the Business usually sells for around 20 to 30% percent of the gross income, however this restaurant needs total renovation even its equipment will need replacement.

The restaurant has an outstanding reputation and therefore it should command around \$250,000.to \$300,000. For the Business and equipment and trade fixtures.

In conclusion I think a price between \$3.5 to \$3.8 million could be achieved.

POTENTIAL PURCHASERS CONTACTED:

1.Mark, Versailles French Rest. 2. L'Escale French Rest. 4.Cala French Rest 5. Martha Stewart 6. Panettiere French Rest. 7. Mario Batali 8.Joe Bastianich 9. Albert Alexander-Investor. 10. Graydon Carter Vanity Fair CEO. 11. Julian Niccolini-Owner 4-Seasons 12. Alba's-Ray Balidemaj. 13. Jean George Inn-Ridgefield. 13. Alf Aanonson Investor. 14.Gino Gjevuka & Nick Dimora Rest.

Wine Purchasers: 1.Acker Auctions. 2.Skinner Auctions 3.Zacky'sAuctions , BEVMAX Dealer 4. Val's Jeb Fiorita Owner Dealer.

Please let me know if you need anything more.

Very Truly Yours;

Silvio A. Benedetto
It's President

The information above has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

Ray Balidemaj
400 Main Street
Port Chester, New York 10573

Tel:914-937-2236

Email: alba@aol.com

Cell 914-980-7302

NON-BINDING LETTER OF INTENT

July 12, 2019

Ray Balidemaj
400 Main Street
Port Chester, New York 10573

Offer to acquire Land & Improvement and all Trade Fixtures and Wine Cellar.

Dear Bobbi & Robert Meyzen:

We are pleased to submit the following offer on the captioned property subject to Marketable Title Free & Clear of all Tenants, Leases, Liens, attachments etc.

The offering entity consists of a to-be-formed entity controlled by Ray Balidemaj with address at 400, Main Street, Port Chester, New York, 10573.

Purchaser: The Purchaser will be a special purpose entity to be formed (the "Buyer").

Property: The Property to be sold is comprised of the fee simple interest in the following property including all related trade fixtures (se attachment) and wine cellar.

Purchase Price: The purchase price for the Property & Trade fixtures shall be (the "Purchase Price") **Two Million Five Hundred Thousand (\$2,500,000,) dollars** and shall be contingent on the following:

- **Deposit:** A refundable deposit of \$250,000 dollar will be placed with an escrow holder **upon mutual execution of the Purchase and Sale Agreement.** The deposit will be become non-refundable upon Buyer's waiver of all contingencies at the conclusion of the Due Diligence Period. Interest on the escrow deposit shall accrue to the Buyer. The difference between the escrow balance and the total purchase price including the deposit shall be paid in cash at the close of escrow.
- **Due Diligence:** The Purchaser shall have Sixty (60) days from the later of full and mutual execution of the Purchase Agreement or delivery to Buyer by

Seller of all remaining due diligence materials in its possession including but not limited to leases, tenant correspondence, management reports, engineering reports, environmental reports, real estate tax bills, insurance records and other

information requested by Buyer. Buyer shall hold the right to terminate this agreement for any or no reason during the Due Diligence Period and receive its refundable deposit back in full. Between the date of this Letter subject to the terms of this paragraph, the Buyer shall have the right, at the Buyer's sole cost and expense, to enter upon the Property in order to perform such due diligence tests, inspections and investigations as the Buyer reasonably deems necessary in order to evaluate the status and condition of the Property. Prior to, and as a condition of, the Buyer's entry onto the Property or the performance of any tests, inspections or investigations thereon, the Buyer shall enter into an access agreement with the Seller, in form and substance reasonably acceptable to both parties, setting forth the terms, conditions, restrictions and limitations applicable to such access and due diligence activities. In no event shall the Buyer have any right to enter upon the Property or to perform any tests, inspections or investigations thereon unless and until a mutually acceptable access agreement has been executed by both parties. The Buyer acknowledges and agrees that the permission to enter upon the Property upon the execution and delivery of an access agreement is a revocable license, and that the Seller makes no representation or warranty whatsoever concerning the physical or environmental condition or status of the Property

- **Closing:** On or before September 1, 2019 (subject to timely negotiation of Purchase and Sale Agreement).
- **Financing:** Subject to approval for a commercial mortgage loan at 7.5% of the Purchase Price is financed through debt at 4.5% interest with a 25-year amortization to be committed to Purchaser during due diligence
- **Reps & Warranties:** Standard
- **Brokerage:** Silvio A. Benedetto Associates Inc. to be paid by seller pursuant to separate agreement.
- **As-Is Condition:** Except as expressly set forth to the contrary in the Term Sheet, the Property & Trade fixtures shall be conveyed by the Seller to the Buyer at closing in its "as-is", "where-is" and "with-all- faults" condition.

Documentation: Immediately upon receipt of acceptance of the terms and conditions of this Non-Binding Letter of Intent, Buyer and Seller shall negotiate in good faith and execute a Purchase Sale and Escrow Agreement as expeditiously as possible, incorporating the terms herein and will contain other reasonable and customary conditions, covenants, representations, warranties, and other provisions.

Notwithstanding anything in this letter of intent (LOI) to the contrary, the parties hereby agree that this letter constitutes a mere expression of interest and does not represent a binding offer and does not create any rights or obligations whatsoever Subject only to the

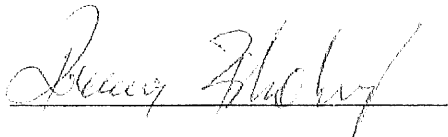
foregoing exception, unless and until this letter of intent shall be replaced with a definitive agreement executed by both parties, neither party will have any rights or obligations whatsoever with respect to the proposed transactions contemplated hereby,

and either party may at any time elect at its discretion to terminate negotiations without any liability to the other party.

We appreciate the opportunity to work with you on this transaction and look forward to consummating a mutually beneficial relationship.

Sincerely,

By:



Name:

Title:

Date:

Ravi BALIDEMAS
Presi
7/12/2019

ACCEPTED AND AGREED:

By:

Name:

Title:

Date:

By:

Name:

Title:

Date:

